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GOVERNOR

STATE OF MICHIGAN
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

MICHAEL R. DEVOS
EXECUTIVE DIRECTOR

MEMORANDUM

TO: MSHDA OCD Grantees

FROM: Bill Parker, HOME/CDBG Program Specialists

DATE: December 18, 2006

RE: Reporting on Contractor Information for OCD funded projects

OCD has changed the OPAL reporting system to require reporting on contractor information. MSHDA is required by HUD to provide information on the contractors relative to contracts funded in part or in full with federal **HOME and CDBG dollars**. For simplicity and consistency purposes, OCD will collect the same information for MSHDA funded projects.

This memo is to provide guidance to OCD Grantees regarding the completion of the Contractor Information on OPAL. Here are a few key points:

- Grantees must report on the total general contract and sub-contract amounts that are funded with any OCD dollars, including "other funds" in the project.
- The amount of total funds in the General Contract can and often will exceed OCD funds in the project (the set-up amount on OPAL).
- The sum of all sub-contracts funded can exceed OCD funds in the project (the set-up amount on OPAL). Grantees should only report on the four largest sub-contracts.
- If the Grantee is the General Contractor, then only the sub-contractor information should be completed. Many County Allocation grantees act as the general contractor.

Following are several examples to illustrate how the form should be completed:

Example # 1 - Acquisition Development Resale (ADR) project is detailed below:

Costs

Acquisition	\$10,000
Rehab costs	\$100,000
Developer Fee	\$16,000
Total Dev. Cost	\$126,000

OCD (HOME) funds in the project (set-up amount on OPAL) = \$70,000

We would need to report contractor information on the total contract of \$100,000

In this example the general contractor did all the work except the electrical of \$10,000, plumbing, and furnace and duct work totaling \$15,000. The rehab costs were as listed below:

General Contract	\$100,000
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Sub-Contracts

Electrical	\$10,000
Plumbing & Furnace and Duct work	\$15,000

General (Prime) Contractor Information:

Name of Contractor:	Joe General Contractor
Street Address:	123 Nail Ave.
City:	Lumbertown
State:	MI
Zip:	44444

Contractor Identification Number (Federal ID Number):	38-9087600
Ethnicity of Contractor: Hispanic or Latino?	Yes
Race of Contractor:	Black
Woman Owned Business?	No
Total General Contract Amount:	\$100,000

Sub-Contractor Information (1):

Name of Sub-Contractor:	Eli's Electrical
Street Address:	367 1 st St.
City:	Sawdust
State:	MI
Zip:	44446
Sub-Contractor Identification Number (Federal ID Number):	378-98-0675
Ethnicity of Sub-Contractor: Hispanic or Latino?	No
Race of Sub-Contractor:	Black
Woman Owned Business?	No
Amount of funds in Sub-Contract:	\$10,000

Sub-Contractor Information (2):

Name of Sub-Contractor:	Priscilla's Plumbing & heating
Street Address:	8888 Drain Circle
City:	Flushing
State:	MI
Zip:	44446
Sub-Contractor Identification Number (Federal ID Number):	356-90-6606
Ethnicity of Sub-Contractor: Hispanic or Latino?	Yes
Race of Sub-Contractor:	White
Woman Owned Business?	Yes
Amount of funds in Sub-Contract:	\$15,000

Example # 2 - A Homeowner Rehabilitation project is outlined below:

A complete rehabilitation is done on a County allocation funded (CDBG) homeowner rehabilitation project. The total funds in the project are \$25,000 which is the same as the total funds in the project. The contract(s) are as follows:

General Contract	\$25,000
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Sub-Contracts

Electrical	\$ 2,000
Furnace Replacement	\$ 4,000

The information would be completed for one general contract of \$25,000, and two sub-contractors, one for \$2,000 and one for \$4,000. If there are more than four sub-contracts, only the four highest dollar amounts should be reported. See below

General (Prime) Contractor Information:

Name of Contractor:	Jane General Contractor
Street Address:	123 Hammer Rd.
City:	Squaresville
State:	MI
Zip:	44445
Contractor Identification Number (Federal ID Number):	38-9087677
Ethnicity of Contractor: Hispanic or Latino?	No
Race of Contractor:	White
Woman Owned Business?	Yes
Total General Contract Amount:	\$25,000

Sub-Contractor Information (1):

Name of Sub-Contractor:	Eli's Electrical
Street Address:	367 1 st St.
City:	Sawdust
State:	MI
Zip:	44446
Sub-Contractor Identification Number (Federal ID Number):	378-98-0675
Ethnicity of Sub-Contractor: Hispanic or Latino?	No
Race of Sub-Contractor:	Black
Woman Owned Business?	No
Amount of funds in Sub-Contract:	\$2,000

Sub-Contractor Information (2):

Name of Sub-Contractor:	Priscilla's Plumbing & heating
Street Address:	8888 Drain Circle
City:	Flushing
State:	MI
Zip:	44446
Sub-Contractor Identification Number (Federal ID Number):	356-90-6606
Ethnicity of Sub-Contractor: Hispanic or Latino?	Yes
Race of Sub-Contractor:	White
Woman Owned Business?	Yes
Amount of funds in Sub-Contract:	\$4,000

Example # 3 - A Homeowner Rehabilitation Contract where there is no General Contractor (the County is acting as the General) is outlined below:

A complete rehabilitation is done on a County allocation funded (CDBG) homeowner rehabilitation project. The total funds in the project are \$25,000. The contract(s) are as follows:

General Contract (none)	\$0
<u>Sub-Contracts</u>	
General Carpentry	\$19,000
Electrical	\$ 2,000
Furnace Replacement	\$ 4,000

The information would be completed for three sub-contractors, one for \$19,000, one for \$2,000 and one for \$4,000. If there are more than four sub-contractors, only the three highest dollar amounts should be reported. See below

General (Prime) Contractor Information:

Not applicable

Sub-Contractor Information (1):

Name of Contractor:	Jane General Sub-Contractor
Street Address:	123 Hammer Rd.
City:	Squaresville
State:	MI
Zip:	44445
Contractor Identification Number (Federal ID Number):	38-9087677
Ethnicity of Contractor: Hispanic or Latino?	No
Race of Contractor:	White
Woman Owned Business?	Yes
Amount of funds in Sub-Contract:	\$19,000

Sub-Contractor Information (2):

Name of Sub-Contractor:	Eli's Electrical
Street Address:	367 1 st St.
City:	Sawdust
State:	MI
Zip:	44446
Sub-Contractor Identification Number (Federal ID Number):	378-98-0675
Ethnicity of Sub-Contractor: Hispanic or Latino?	No
Race of Sub-Contractor:	Black
Woman Owned Business?	No
Amount of funds in Sub-Contract:	\$2,000

Sub-Contractor Information (3):

Name of Sub-Contractor:	Priscilla's Plumbing & Heating
Street Address:	8888 Drain Circle
City:	Flushing
State:	MI
Zip:	44446
Sub-Contractor Identification Number (Federal ID Number):	356-90-6606
Ethnicity of Sub-Contractor: Hispanic or Latino?	Yes
Race of Sub-Contractor:	White
Woman Owned Business?	Yes
Amount of funds in Sub-Contract:	\$4,000

Example # 4 - A Rental Rehabilitation Contract is outlined below:

A complete rehabilitation is done on a downtown rental rehabilitation funded (CDBG) project. The total funds in the project are \$40,000 in a two unit project. The owner of the building put in \$30,000 in her own funds in leverage. The breakdown for the project was as follows:

General Contract	\$70,000
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Sub-Contracts

Electrical	\$12,000
Plumbing & Furnace Replacement	\$24,000

The information would be complete for one general contract of \$70,000. There should also be information completed for two sub-contracts. See below:

General (Prime) Contractor Information:

Name of Contractor:	Joe General Contractor
Street Address:	123 Nail Ave.
City:	Lumbertown
State:	MI
Zip:	44444
Contractor Identification Number (Federal ID Number):	38-9087600
Ethnicity of Contractor: Hispanic or Latino?	Yes
Race of Contractor:	Black
Woman Owned Business?	No
Total General Contract Amount:	\$70,000

Sub-Contractor Information (1):

Name of Sub-Contractor:	Priscilla's Plumbing & Heating
Street Address:	8888 Drain Circle
City:	Flushing
State:	MI
Zip:	44446
Sub-Contractor Identification Number (Federal ID Number):	356-90-6606
Ethnicity of Sub-Contractor: Hispanic or Latino?	Yes
Race of Sub-Contractor:	White
Woman Owned Business?	Yes
Amount of funds in Sub-Contract:	\$24,000

Sub-Contractor Information (2):

Name of Sub-Contractor:	Eli's Electrical
Street Address:	367 1 st St.
City:	Sawdust
State:	MI
Zip:	44446
Sub-Contractor Identification Number (Federal ID Number):	378-98-0675
Ethnicity of Sub-Contractor: Hispanic or Latino?	No
Race of Sub-Contractor:	Black
Woman Owned Business?	No
Amount of funds in Sub-Contract:	\$12,000

Please contact your CD Specialist if you have any questions.